



October 13, 2016

KANSAS BULLETIN NO. KS300-17-1

SUBJECT: LTP–Kansas Policy on Expiring Contracts in the Program Contracts System

Purpose: To reissue and update the Kansas Policy on Program Contracts System (ProTracts) contracts which expire in “active” status

Expiration Date: September 30, 2018

Contracts that expire in “active” status have open obligations or actions that have not been completed. This bulletin serves to remind assistant state conservationists for field operations (ASTCs-FO), supervisory district conservationists (SDCs), and district conservationists (DCs) of the continuation of the Kansas **ZERO TOLERANCE** policy for contracts expiring in an “active” status in ProTracts. Disciplinary action for employees responsible for the administration of contracts that expire with open obligations or have actions left uncompleted will be determined by the state conservationist.

Contracts expire at midnight on the expiration date. An expired contract may or may not have had all practices completed. With proper contract administration, contracts will not expire with open obligations. It is not the policy of the Natural Resources Conservation Service (NRCS) to allow conservation program contracts to expire with an “active” ProTracts status, refer to Title 440–Conservation Programs Manual (CPM), Conservation Program Contracting, Part 512, Section 512.45.D. **Exception:** Conservation Stewardship Program contracts may expire prior to the final annual payment.

The contract is severed upon contract expiration, and further payments are not authorized. All remaining undisbursed obligations must be deobligated. Deobligation is accomplished by changing the contract status to “Complete” by using the “Expired Contract” minor modification function within ProTracts.

Participants with incomplete items must be notified of the contract’s expiration and **advised not to start any remaining contract items** with the expectation of payment. However, if practice application was performed and certified in ProTracts prior to CPC expiration, payment may be made outside ProTracts as a special payment using the original fund source. This however should occur in very rare instances.

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Contracts may be modified to extend the expiration date (within the statutory contract length provisions) if approved prior to expiration. Field offices (FOs) should utilize the “contract maintenance” function within ProTracts to identify “active” contracts that expire in a selected year. The report will include contracts in modification status displaying the pre-modification expiration date.

NOTE: FOs need to note the pre-modification expiration date of all contracts pending modification to ensure required actions occur in a timely fashion in order to prevent contracts expiring while awaiting a modification approval.

In the last 12 months of a contract, if there are any incomplete contract items, participants shall be notified of the following at least 180 calendar days prior to the contract expiration (see CPM, Part 512, Section 512.55):

- That the participant may have an option to extend the contract expiration date (within the statutory contract length provisions) **AND** to reschedule planned practices.

Farm Bill (FB) 2002 and FB 2008 Contracts

- That the contract is in violation of the contract appendix provisions which state that participants agree to complete all practices at least one year before the expiration date of the contract.
- That the contract is in non-compliance and is subject to termination with refund of financial assistance payments made to them.

FB 2014

- That all contract items must be completed no later than the contract expiration date.
Note: FOs should consider a modification to extend the contract expiration date (within the statutory contract length provisions). **All FB 2014 contracts may have an expiration date of December 31 of the same year following the last scheduled or completed practice.** FB 2014 contracts do not require one year of maintenance.

Contact: Forward questions, through established channels, to Monty R. Breneman, Assistant State Conservationist for Programs, at Monty.Breneman@ks.usda.gov or 785-823-4569.

(signed)

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State Conservationist